

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2030 - SB 2078

March 14, 2022

SUMMARY OF BILL AS AMENDED (015753): Increases the allocation of revenue collected from the gasoline tax to the Wildlife Resources Fund from 0.5344 percent to 0.88 percent. Requires all gasoline tax revenue appropriated to the Wildlife Resources Fund to be used for public and environmental infrastructure at marinas, in addition to other purposes authorized by law.

FISCAL IMPACT OF BILL AS AMENDED:

**Increase State Revenue – \$1,933,200/FY22-23 and Subsequent Years
/Wildlife Resources Fund**

**Decrease State Revenue –
\$783,400/FY22-23 and Subsequent Years/Highway Fund
\$172,600/FY22-23 and Subsequent Years/Sinking Fund
\$19,400/FY22-23 and Subsequent Years/General Fund
\$7,800/FY22-23 and Subsequent Years
/Department of Transportation
\$211,300/FY22-23 and Subsequent Years
/Resurfacing and Construction Fund**

Decrease Local Revenue – \$738,700/FY22-23 and Subsequent Years

Assumptions:

- Based on information provided by the Department of Finance and Administration, revenue raised from the gasoline tax that went to the Wildlife Resources Fund was \$2,748,399 in FY20-21.
- According to estimates from the Fiscal Review Committee, gasoline tax revenue growth is estimated to be 5.79 percent in FY21-22 and 2.81 percent in FY22-23.
- The estimated revenue raised from the gasoline tax that goes to the Wildlife Resources Fund in FY22-23 is \$2,989,233 (\$2,748,399 x 1.0579 x 1.0281), absent the proposed legislation.
- The estimated amount in gasoline tax revenue going to the Wildlife Resources Fund, as a result of the proposed legislation, is \$4,922,390 [\$2,989,233 x (0.88% / 0.5344%)].
- The estimated increase in state revenue to the Wildlife Resources Fund is \$1,933,157 (\$4,922,390 - \$2,989,233) in FY22-23 and subsequent years.

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- Based on current law and estimates of the distribution of gasoline tax revenues provided by the DOR, the estimated combined decrease in state and local revenue of \$1,933,157 in FY22-23 and subsequent years is spread out over the following designations and/or funds:
 - Highway Fund: \$783,356 ($\$1,933,157 \times 40.5221\%$);
 - Sinking Fund: \$172,567 ($\$1,933,157 \times 8.9267\%$);
 - General Fund: \$19,390 ($\$1,933,157 \times 1.003\%$);
 - Department of Transportation: \$7,756 ($\$1,933,157 \times 0.4012\%$);
 - Resurfacing and Construction Fund: \$211,346 ($\$1,933,157 \times 10.9327\%$);
 - Counties: \$492,495 ($\$1,933,157 \times 25.4762\%$); and
 - Municipalities: \$246,247 ($\$1,933,157 \times 12.7381\%$).
- A total decrease in local revenue of \$738,742 ($\$492,495 + \$246,247$) in FY22-23 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/mk